

OZARKS FOOD HARVEST, INC
FINANCIAL STATEMENTS
JUNE 30, 2014



ELLIOTT, ROBINSON
& COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

TRUSTED BUSINESS ADVISORS



INDEPENDENT AUDITORS' REPORT

Board of Directors
Ozarks Food Harvest, Inc.
Springfield, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of Ozarks Food Harvest, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with accounting standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ozarks Food Harvest, Inc. as of June 30, 2014, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular, A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2015, on our consideration of Ozarks Food Harvest, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ozarks Food Harvest, Inc.'s internal control over financial reporting and compliance.

Ellis, Robinson & Company, CP

Springfield, Missouri
January 26, 2015

OZARKS FOOD HARVEST, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014

ASSETS

Current Assets

Cash and cash equivalents	\$ 4,310,275
Restricted cash and cash equivalents	408,996
	<hr/> 4,719,271
Accounts receivable	338,882
Inventory	1,157,504
Total current assets	<hr/> <hr/> 6,215,657

Fixed Assets

Property and equipment, net of accumulated depreciation	5,523,652
Net fixed assets	<hr/> 5,523,652

Other Assets

Pledges receivable, net	9,427
Total other assets	<hr/> 9,427

Total Assets \$ 11,748,736

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 85,907
Payroll taxes payable	18,582
Due to other organizations	177,376
Total current liabilities	<hr/> 281,865

Net Assets

Unrestricted	11,057,875
Temporarily restricted	408,996
Total net assets	<hr/> 11,466,871

Total Liabilities and Net Assets \$ 11,748,736

See accompanying accountant's report and notes to financial statements.

OZARKS FOOD HARVEST, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Gains and Support:			
Food contributions	\$ 19,164,666	-	19,164,666
Individual, corporate and foundation cash contributions	1,022,688	740,000	1,762,688
Direct mail	855,296	-	855,296
Food safety fees	213,940	-	213,940
USDA commodity contributions	2,222,733	-	2,222,733
Purchased product fees-agency	133,113	3,000	136,113
Purchased product value	144	-	144
Neighborhood assistance program	192,171	-	192,171
Federal grants	2,094,429	69,500	2,163,929
Food assistance program (TEFAP)	246,580	-	246,580
Food assistance program (CACFP)	170,564	-	170,564
Food assistance program (SNAP)	13,430	-	13,430
Food assistance program (CSFP)	123,024	-	123,024
Summer food program	91,280	-	91,280
Delivery fees	79,556	-	79,556
Interest	34,647	1,381	36,028
Miscellaneous	10,024	1,275	11,299
Total revenues	<u>26,668,285</u>	<u>815,156</u>	<u>27,483,441</u>
Net Assets Released from Restrictions:	<u>1,009,971</u>	<u>(1,009,971)</u>	<u>-</u>
Total Net Revenue, Gains and Support	<u>27,678,256</u>	<u>(194,815)</u>	<u>27,483,441</u>
Expenses:			
Program services	24,868,767	-	24,868,767
Fundraising	484,916	-	484,916
General and administrative	451,472	-	451,472
Total expenses	<u>25,805,155</u>	<u>-</u>	<u>25,805,155</u>
Increase (Decrease) in Net Assets	<u><u>\$ 1,873,101</u></u>	<u><u>(194,815)</u></u>	<u><u>1,678,286</u></u>

See accompanying accountant's report and notes to financial statements.

OZARKS FOOD HARVEST, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2014

	Program Services	Fundraising	General and Administrative	Total
Payroll:				
Salaries	\$ 939,134	149,717	272,213	1,361,064
Employee benefits	111,937	17,845	32,445	162,227
Payroll taxes	68,123	10,860	19,746	98,729
Total payroll and benefits	<u>1,119,194</u>	<u>178,422</u>	<u>324,404</u>	<u>1,622,020</u>
Other Expenses:				
Food disbursements and waste	22,375,114	-	-	22,375,114
Subrecipients	219,117	-	-	219,117
Special events	8,142	1,879	2,505	12,526
Transportation expenses	178,850	-	-	178,850
Temporary personnel	122,416	-	-	122,416
Office supplies	52	52	10,369	10,473
Supplies	13,272	3,063	4,084	20,419
Advertising	190,798	190,798	-	381,596
Dues and subscriptions	13,372	4,115	3,086	20,573
Printing, promotion and publications	5,496	30,230	19,237	54,963
Professional fees	102,834	23,731	31,641	158,206
Acquisition fees	7,740	-	-	7,740
Postage	16,086	16,085	-	32,171
Travel	3,910	3,909	-	7,819
Telephone	9,579	532	532	10,643
Training	2,601	459	-	3,060
Utilities	77,332	4,296	4,296	85,924
Computer expenses	1,045	241	322	1,608
Repairs and maintenance	35,782	1,988	1,988	39,758
Conferences and meetings	-	-	21,793	21,793
Depreciation	338,750	18,820	18,820	376,390
Miscellaneous	27,285	6,296	8,395	41,976
Total other expenses	<u>23,749,573</u>	<u>306,494</u>	<u>127,068</u>	<u>24,183,135</u>
Total Expenses:	<u>\$ 24,868,767</u>	<u>484,916</u>	<u>451,472</u>	<u>25,805,155</u>

See accompanying accountant's report and notes to financial statements.

OZARKS FOOD HARVEST, INC.
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Net Assets - June 30, 2013	\$ 7,598,870	2,189,715	9,788,585
Reclassification	\$ 1,585,904	(1,585,904)	-
Net Assets - June 30, 2013 Restated	\$ 9,184,774	603,811	9,788,585
Change in Net Assets	<u>1,873,101</u>	<u>(194,815)</u>	<u>1,678,286</u>
Net Assets - June 30, 2014	<u><u>\$ 11,057,875</u></u>	<u><u>408,996</u></u>	<u><u>11,466,871</u></u>

See accompanying accountant's report and notes to financial statements.

OZARKS FOOD HARVEST, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2014

Cash flows from operating activities:	
Increase in net assets	\$ 1,678,286
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	376,390
Changes in operating assets and liabilities:	
(Increase) in receivables and pledges	(154,604)
Decrease in inventory	188,731
(Decrease) in accounts payable	(107,404)
Increase in payroll taxes payable	2,981
Increase in due to other organizations	25,897
Net cash provided by operating activities	<u><u>2,010,277</u></u>
Cash flows from investing activities:	
(Purchase) of fixed assets	(814,734)
Net cash (used) by investing activities	<u><u>(814,734)</u></u>
Net Increase in Cash and Cash Equivalents	1,195,543
Cash and Cash Equivalents at Beginning of Year	<u><u>3,523,728</u></u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 4,719,271</u></u>

See accompanying accountant's report and notes to financial statements.

OZARKS FOOD HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Ozarks Food Harvest, Inc. was founded in 1983 as a joint project of the Council of Churches of the Ozarks and the Southwest Missouri Office on Aging. Since 1989, Ozarks Food Harvest, Inc. has been an independent, self-funded and governed 501(c)(3) organization.

Ozarks Food Harvest, Inc. operates as a food bank for 28 counties in southwest Missouri. Ozarks Food Harvest, Inc. collects food and distributes it to a network of 278 member agencies such as shelters, soup kitchens, senior centers, food pantries and daycares. These hunger relief organizations serve poverty stricken children, working poor families and seniors. In addition to food distribution, Ozarks Food Harvest, Inc. offers direct relief through its Kids Café (after school feeding program), Weekend Backpack program, Club F.U.N. (nutritional education program) and Mobile Food Pantry programs.

The Organization received food donations from local and regional producers, growers, distributors and retailers. National food donations also come via Feeding America, The Nation's Food Bank Network, and through federal government subsidies. Donated food is inspected, sorted, labeled and stored at the warehouse for repacking and distribution. The Organization delivers directly to member agencies and prepares order for agencies to pick up.

Accounting Method

The Organization uses the accrual method of accounting, which recognizes revenue when earned and expenses when incurred.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization does not use fund accounting.

Contributed Services and Facilities

During the year ended June 30, 2014, the value of contributed products and services meeting the requirements for recognition in the financial statements was material and has been recorded at fair market value. Donated contributions are recognized if the donation creates or enhances a nonfinancial asset or requires specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The value of contributed goods and services as of June 30, 2014 was \$21,387,399 and has been properly used to support program services.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less at the date of their acquisition to be cash equivalents.

OZARKS FOOD HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventories consist of donated food from the public, the Commodity Supplemental Food Program and purchased product. Donated product is valued per pound and purchased product is valued at cost.

Advertising

Advertising costs are expensed as incurred. Advertising costs were \$381,596 for the year ended December 31, 2014.

Property and Depreciation

Property and equipment are stated at cost. It is the Council's policy to capitalize property and equipment with a value of \$250 or more with a life expectancy longer than three years. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Depreciation is computed by applying the following methods and estimated lives:

<u>Category</u>	<u>Estimated Life</u>	<u>Method</u>
Buildings and improvements	39 years	Straight-line
Leasehold improvements	5-15 years	Straight-line
Vehicles	5-7 years	Straight-line
Furniture and equipment	5-15 years	Straight-line
Computer equipment	3-7 years	Straight-line

The costs of assets sold or otherwise disposed of and the accumulated depreciation thereon are eliminated from the accounts and the resulting gain or loss is reflected in income, except for gains on assets traded where no cash was received. Expenditures for maintenance and repairs are charged to income as incurred.

Depreciation expense totaled \$376,390 for the year ended June 30, 2014.

Funding and Support

Funding for the Food Bank comes in the form of contracts with city, state, and federal agencies, and from private sources, such as individuals, foundations and corporations. The Organization also receives handling fees up to \$.18 per pound, and delivery fees up to \$.04 per pound for food distributed to agencies.

The Kids Café is funded through the USDA Child and Adult Care Food Programs. USDA'S Food and Nutrition Service administers CACFP through grants to States. The Organization submits monthly claim forms to the State to receive reimbursements on a per meal served basis.

OZARKS FOOD HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Unconditional Promises to Give

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its program and support services. Expenses that can be identified with the program are allocated directly according to their natural expense classification. Various statistical bases allocate other expenses that are common to several functions.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to the Internal Revenue Service are the 2011, 2012, 2013 and 2014 tax years. However, the Organization is not currently under audit nor has the Organization been contacted by any jurisdiction. Based on the evaluation of the Organization's tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the fiscal years ended June 30, 2014. Interest and penalties, if any, related to annual Form 990 or unrelated business income tax filings are reported within general and administrative expenses in the statement of activities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated subsequent events through January 26, 2015, the date on which the financial statements were available to be issued.

OZARKS FOOD HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 2: RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets as of June 30, 2014 are available for the following purposes:

Trusts	\$	29,953
Food for Thought		82,000
Advance Food for Thought		20,000
Advance Disaster Relief		1,005
Wal-Mart		52,500
Eminence		17,000
Mobile Food Pantry Truck		49,098
Agency Reserves		2,727
Hunger Challenge Matching		8,500
Capital Campaign		<u>147,213</u>
Total Temporarily Restricted Net Assets	\$	<u>408,996</u>

Net assets were released from donor restrictions during the year by incurring expenses satisfying the restricted purposes or time restrictions specified by the donors as follows:

Trusts	\$	43,479
Eminence		3,000
Mobile Food Pantry Truck		11,000
Hunger Challenge Matching		125,500
Missouri Foundation for Health		826,220
Capital Campaign		<u>772</u>
Total Temporarily Restricted Net Assets	\$	<u>1,009,971</u>

NOTE 3: ACCOUNTS RECEIVABLE

Accounts receivable consist of amounts due from the U.S. Department of Agriculture for food service program reimbursements for expenses during the year ended June 30, 2014 and a grant from the Missouri Foundation for Health. Due to the nature of these receivables, no allowance for doubtful accounts was established. Accounts receivable as of June 30, 2014 was \$98,882 for food service program reimbursements and \$240,000 from the Missouri Foundation of Health.

NOTE 4: LEASE EXPENSE

The Organization has several copier lease agreements, the latest of which expires in 2019. The future minimum lease payments are as follows:

2015	\$	12,818
2016		12,818
2017		12,818
2018		8,032
2019		<u>1,260</u>
	\$	<u>47,746</u>

OZARKS FOOD HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 5: PROMISES TO GIVE

Unconditional promises to give and receivables as of June 30, 2014 are as follows:

Pledges receivable in one to five years	\$ 10,673
Less: Unamortized discount	(61)
Allowance for doubtful accounts	<u>(1,185)</u>
Total long-term pledges	<u>\$ 9,427</u>

Discount rates used on long-term promises to give were calculated using the Treasury rate of .36%. An allowance for doubtful accounts was established for pledges receivable at a rate of 6% to 7% of gross receivables.

NOTE 6: RETIREMENT PLAN

In 2008, the Organization adopted a 403(b) Retirement Plan in accordance with the Internal Revenue Code. All employees meeting eligibility requirements that choose to participate receive a matching contribution from the Organization up to 3% of the employees' gross earnings. The Organization contributed \$25,922 for the year ended June 30, 2014.

NOTE 7: CONCENTRATIONS OF CREDIT RISK

At times during the current fiscal year, the Organization's cash balances exceeded the U.S. Federal Deposit Insurance Corporation's insurance limits.

NOTE 8: CONCENTRATIONS

The Organization received \$9,611,985 of donated food from Wal-Mart, which represents 50% of the total food contributions received for the year ended June 30, 2014.

NOTE 9: RECLASSIFICATION

Federal funds are given to Ozarks Food Harvest through the Temporary Assistance for Needy Families (TANF) program. These funds were previously classified as temporarily restricted funds. Upon review of the program, all of the funds are reimbursements for expenses already incurred by the organization, thus making them unrestricted funds. These funds were reclassified from a temporarily restricted net asset to an unrestricted net asset for June 30, 2013.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Ozarks Food Harvest, Inc.
2810 North Cedarbrook Avenue
Springfield, Missouri 65801

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and the financial statements of Ozarks Food Harvest, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 26, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Ozarks Food Harvest, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ozarks Food Harvest, Inc.'s internal control. Accordingly, we do not express an opinion of the effectiveness of the Ozarks Food Harvest, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that

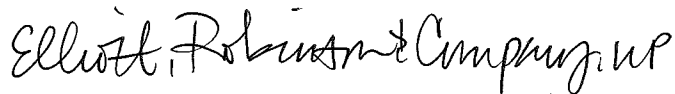
we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ozarks Food Harvest, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material affect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Elliott, Robinson & Company, PC".

Springfield, Missouri
January 26, 2015



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Ozarks Food Harvest, Inc.
2810 North Cedarbrook Ave
Springfield, Missouri 65801

Report on Compliance for Each Major Federal Program

We have audited Ozarks Food Harvest, Inc.'s compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Ozarks Food Harvest, Inc.'s major federal programs for the year ended June 30, 2014. Ozarks Food Harvest, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grant applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Ozarks Food Harvest, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organization. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ozarks Food Harvest, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Ozarks Food Harvest, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Ozarks Food Harvest, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

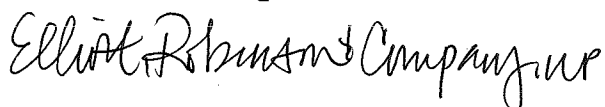
Report on Internal Control over Compliance

Management of Ozarks Food Harvest, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Ozarks Food Harvest, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of Ozarks Food Harvest, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not follow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Springfield, Missouri
January 26, 2015

Ozarks Food Harvest, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>Department of Agriculture</u>			
<i>Passed through Program From:</i>			
<i>Missouri Deparement of Health and Senior Services</i>			
Child and Adult Care Food Program	10.558	4613-1183	\$ 145,013
Summer Food Program	10.559	ERS0461183S	73,681
Food Distribution Cluster			
Commodity Supplemental Food Program (Food Commodities)	10.565	C314042002	450,050
Commodity Supplemental Food Program (Adminsitratve Costs)	10.565	C314042002	123,024
<i>Missouri Department of Social Services</i>			
Food Distribution Cluster			
Emergency Food Assistance Program (Food Commodities)	10.569	N/A	1,770,892
Emergency Food Assistance Program (Adminsitratve Costs)	10.568	N/A	<u>246,580</u>
Total Department of Agriculture			2,809,240
<u>Department of Health and Human Services</u>			
<i>Passed through Program From:</i>			
<i>Missouri Department of Social Services</i>			
Temporary Assistance for Needy Families	93.558	ER113120016	<u>1,863,600</u>
Total Department of Health and Human Services			1,863,600
<u>Department of Housing and Urban Development</u>			
<i>Passed through Program From:</i>			
<i>City of Springfield, Missouri</i>			
Community Development Block Grant	14.218	2014-1050	<u>16,683</u>
Total Department of Housing and Urban Development			<u>16,683</u>
Total Expenditures of Federal Awards			<u><u>\$ 4,689,523</u></u>

See accompanying notes to the schedule of expenditures of federal awards.

Ozarks Food Harvest, Inc.
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Ozarks Food Harvest, Inc. under programs of the federal government for the year ended June 30, 2014. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of Ozarks Food Harvest, Inc., is not intended to and does not present the financial position, changes in net assets, or cash flows of Ozarks Food Harvest, Inc.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, Cost Principles for Non-Profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available

Note 3. Food Commodities

Nonmonetary assistance is reported in the Schedule at the value determined by Feeding America, the National Food Bank Network.

Ozarks Food Harvest, Inc.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2014

Summary of Audit Results

1. The auditor's report expressed an unqualified opinion on the financial statements of Ozarks Food Harvest, Inc.
2. No reported significant deficiencies were disclosed during the audit of the financial statements or included in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Ozarks Food Harvest, Inc. which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. No reported significant deficiencies in internal control over major federal award programs were disclosed during the audit or included in the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Controls over Compliance in Accordance with OMB Circular A-133. No material weaknesses are reported.
5. The auditor's report on compliance for the major federal award programs for Ozarks Food Harvest, Inc. expresses an unqualified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 reported in this Schedule.
7. The program that tests as a major program include:

Food Distribution Cluster	
Commodity Supplemental Food Program (Food Commodities)	10.565
Commodity Supplemental Food Program (Administrative Costs)	10.565
Emergency Food Assistance Program (Food Commodities)	10.569
Emergency Food Assistance Program (Administrative Costs)	10.568
Temporary Assistance for Needy Families	93.558
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Ozarks Food Harvest, Inc. was determined to be a low-risk auditee.

Ozarks Food Harvest, Inc.
Summary Schedule of Prior Year Audit Findings
Year Ended June 30, 2014

No findings from the prior year.